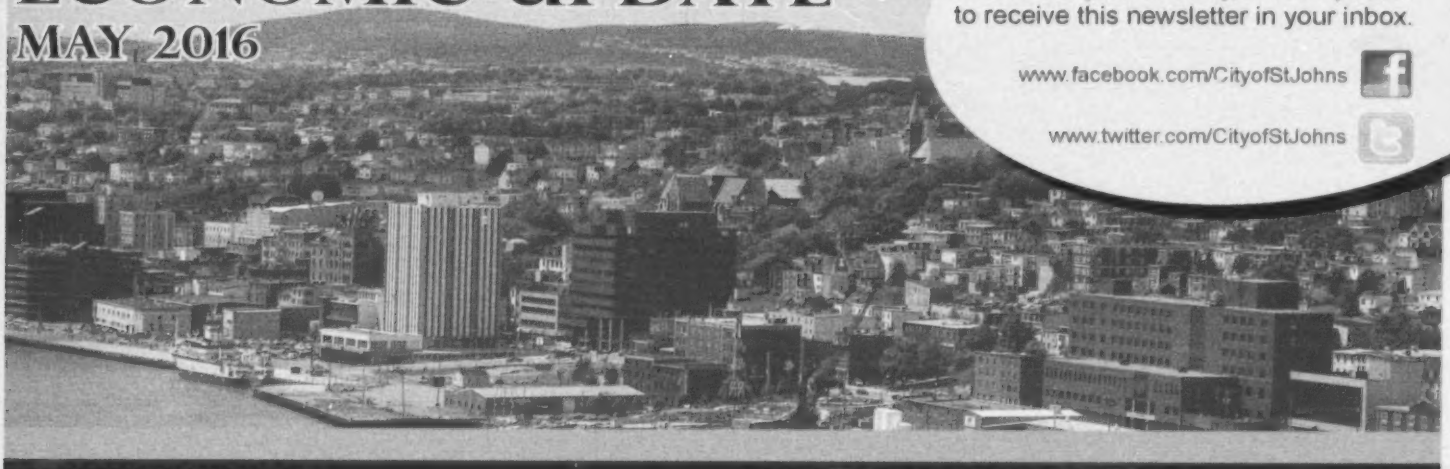
ECONOMIC UPDATE
MAY 2016

Visit us at
www.stjohns.ca/st-johns-e-updates
to receive this newsletter in your inbox.

www.facebook.com/CityofStJohns

www.twitter.com/CityofStJohns



ECONOMIC INDICATORS

The New Housing Price Index for St. John's Metro was 152.0 in February 2016 up 0.5%*

The Consumer Price Index for St. John's Metro was 129.9 in March 2016 up 0.9%*

Retail trade for Newfoundland and Labrador was $758.2 million in February 2016 up 3.7%*

* same month in the previous year.

LABOUR FORCE CHARACTERISTICS

St. John's Metro, (seasonally adjusted, three-month moving average)

	March 16	Chg.*
Labour Force	123,500	-2.0%
Unemployment Rate	7.4%	1.1 pt
Employment Rate	63.4%	-2.9 pt
Participation Rate	68.5%	-2.3 pt

* same month in the previous year

BUSINESS BRIEFS

St. John's ranks 10th within the 17 featured cities in Canada - KPMG's Competitive Alternatives Study

KPMG's 2016 Competitive Alternatives study provides an independent comparison of international business locations in more than 100 cities in 10 countries around the world. It explores the most significant business cost factors and measures and provides insight on the impact of 26 key cost components, across 7 business to business service segments and 12 significant manufacturing sectors. The study informs readers about business costs which include things such as labour costs, transportation, utilities, taxes, or facilities (leasing costs) as they compare to other cities. Within the 17 featured cities in Canada, St. John's ranks 10th. This is an improvement over the 2014 ranking. St. John's ranks 12th among all 111 featured cities. While St. John's has experienced a slowdown in economic activity, a higher US dollar offers some cost competitiveness and cost advantages. According to the study released in March 2016, St. John's now has the lowest effective corporate income tax rate among all 111 cities in this study. An important aspect of this report relates to St. John's prominent Research and Development (R&D) cluster in oceanographic research. St. John's scored highly in this category (ranks 13th out of the 111 cities internationally) for R&D services, and offers some of the lowest business costs among cities in Canada and the US in this area. Find the full report and details at: **www.competitivealternatives.com/countries/ca.aspx**

City of St. John's and Partners to Build Community Market

The proposed plan for a new community market at the former Metrobus location on Freshwater Road is moving forward. The City is contributing $2 million through its capital budget, close to $1.17 million is coming from the Atlantic Canada Opportunities Agency (ACOA), and $490,000 is from the Government of Newfoundland and Labrador's Department of Business, Tourism, Culture and Rural Development (BTCRD). The St. John's Farmers' Market Cooperative (SJFM) will operate the facility and have also contributed $100,000 towards the project. The completion of a feasibility assessment and business plan determined that a market is viable and financially sustainable in the proposed facility. In addition to the market the community facility will be equipped with a kitchen and meeting area. The City's Economic Roadmap 2021 specifically identified the community market as an action item and points to its value in creating a desirable city for newcomers and young professionals. A request for proposals for the building's design will be issued with construction slated to begin in 2017 for a grand opening in 2018.

Business Approvals

Madison Mackenzie Home
300 Kenmount Road

Ednatec Ltd.
14 International Place

Pet Grooming
12 Merrymeeting Road

Cannabinoid Medical
8-10 Rowan Street

Battery Cafe
1-3 Duckworth Street

Wing'n It
32 George Street

Bricks and Minifigs
29 Stavanger Drive

Sumac Middle Eastern Market and Eatery
320 Torbay Road

New Home - Based Businesses

Hair Salon
17 Logy Bay Road

Web Design and Digital Marketing
8 Stabb Court

Masonry and Tile Contracting Office
42 Densmore's Lane

Food Preparation
32 Mullock Street

Total Year to Date	**51**
Regular	26
Home-based	25

City Building Permits (Year-to-date as of May 2, 2016)

Type	2015	2016	% Variance
Commercial	$59,239,000	$32,153,000	-46
Industrial	$0	$0	0
Government/Institutional*	$7,612,000	$2,486,000	-67
Residential	$16,622,000	$14,149,000	-15
Repairs	$1,044,650	$876,000	-16
Total	$84,517,000	$49,355,720	-41

* Government/institutional data doesn't include the full range of permit activity undertaken by the provincial government and its agencies.

Upcoming Events

Demystifying Technology & Innovation *"taking down the barriers"*	May 10	www.cme-mec.ca/nl
NATI Knowledge Summit	May 11	www.nati.net
Integrating Intellectual Property into your International Business Strategy	May 13	www.neia.org
Tales from Entrepreneurs! On Tap at Bitters	May 13	www. genesiscentre.ca
Futurpreneur Canada Owners Wanted - St. John's	May 13	http://tinyurl.com/OWMay2016
2016 Process & Automation Trade Show	May 17	http://cpecn.com
Recreation NL AGM	May 26-28	www.recreationnl.com
Community Health Nurses of Canada conference	May 30 - Jun 1	www.chnc.ca
Canadian Evaluation Society national conference	Jun 5-8	c2016.evaluationcanada.ca
Major Projects Atlantic Canada	Jun 8	www.apec-econ.ca
Canadian Symposium on Remote Sensing *Exploring Synergies*	Jun 8-11	www.crss-sct.ca

CITY INITIATIVES

New Option Being Considered for Water Street Infrastructure Work

City staff have been exploring the possibility of how best and least disruptively to replace water and sewer lines along Water Street from Waldegrave Street to Job's Cove. Based on input from downtown stakeholders and continued research, the City will now investigate the feasibility of using trenchless technology. The exploratory work will include:

- Cleaning the existing combined sewer beginning in spring 2016
- Videoing the combined sewer and determining suitability for lining
- Confirming the capacity of the existing watermain

Once this exploratory work is complete, staff will report back to Council with a recommendation as to whether or not this is a viable option to pursue. If viable, the project will proceed as planned in 2017 using this approach.

ST. JOHN'S

348 Water Street
City of St. John's, P.O. Box 908
St. John's, NL A1C 5M2
(709) 576-8107
business@stjohns.ca